

## Top Ten Reporting Issues for Cities Financial Transactions Report

1. Major variances require **FOOTNOTES**. If there is an overall reporting change, add an explanation in the Comments form.
  - Invalid footnotes will be questioned. Simply noting “Correct,” “Confirmed OK,” “Unaudited Number,” or “Preliminary Number” is not acceptable. Please indicate what caused the variance (e.g., “New AB 1234 law enforcement grant”).
2. If you enter your own enterprise name on the **OTHER ENTERPRISE** form, manually carry forward ALL amounts to the revenue and expenditure forms, as the Local Government Reporting Section will not know where to report these amounts. Do not use “Other.”
3. Report **REVENUES** by the original revenue source, not by how they are used or the department/fund receiving the revenues.
4. The **MOTOR VEHICLE IN-LIEU TAX** has been repealed. Report each prior year payments as an adjustment on the Consolidated Statement of Revenues, Expenditures, and Changes in the Fund Balance/Working Capital form.
5. The **OTHER** fields on the revenue and expenditure forms are for items that do not apply to a hard coded field elsewhere on the form. Please review all of the fields on the forms before reporting an item as “Other,” and provide a footnote.
6. On the **SCHEDULE OF TOTAL EXPENDITURES BY MAJOR OBJECT CLASSIFICATION**, do not include interest or principal payments for 1911 Act Bonds, 1915 Act Bonds, Other Special Assessments, Mello-Roos, Mark-Roos, or Community Facility District Bonds in the Debt Service column.
7. **OPERATING TRANSFERS** of Governmental funds will not be specifically detailed in the report as done in the Proprietary fund (Enterprise and Internal Service funds) schedules. The only schedule that will report the effects of these transfers will be the Consolidated Statement of Revenues, Expenditures, and Changes in Fund Balance/Working Capital, in which the ending balance of fund equity should already reflect these transactions.
8. All **DEBT** reported must have Principal and Interest (P&I) payments or, if none, footnotes to explain why there are no current year payments.
  - Long-Term Debt
    - Any Certificates of Participation or Lease Revenue Bonds that involve a Public Financing Authority/Corporation should be reported as a Lease Obligation.
  - Lease Obligations
    - The Total Unmatured Principal (Only) End of Fiscal Year balance must reconcile to the prior year ending balance:  
[PY Principal Only End] - [CY Principal Payment] = [CY Principal Only End]
    - Report lease terms of less than 10 years (e.g., copiers, vehicles, etc.) on the Other Long-Term Debt form as Other loan type.

9. Provide data for the **NON-CURRENT ASSETS** and **NON-CURRENT LIABILITY** lines on the Worksheet for Completing the Balance Sheet Proprietary Funds Types, if applicable. Failure to report this data affects the Ending Fund Balance/Working Capital line on the Consolidated Statement of Revenues, Expenditures, and Changes in Fund Balance/Working Capital form.
10. **RUNNING A LITTLE BEHIND?** We cannot grant extensions. You may submit your **REPORT** via file transfer protocol (FTP). If you are unable to submit your report via FTP, please contact the Local Government Reporting Section by email at [LGRsupport@sco.ca.gov](mailto:LGRsupport@sco.ca.gov) or by telephone at (916) 322-9672 for other options. You must submit the signed Cover Page and the Bureau of Census form by mail.